

# How will Annexation Affect BUSINESS TAXES AND FEES?

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## *What will happen to businesses taxes and fees?*

**King County** business licenses are required for businesses engaged in specific regulated activities within unincorporated King County (outside of any city limits). Regulated activities are amusement parks and places, amusement devices, bowling alleys, carnivals, go-cart tracks, skating rinks, video games, pool tables, outdoor and indoor entertainment, dances, adult entertainment establishments, massage and bathhouse businesses, process servers, secondhand dealers, pawnshops, charitable organizations, taxicabs and drivers, pet shops, kennels, grooming businesses, or theaters. Otherwise, King County does not require a general business license. However, businesses must be in compliance with zoning code regulations.

See <http://www.metrokc.gov/lars/business/obtain.htm> and <http://www.metrokc.gov/ddes/business/index.shtm>

Businesses operating in **Renton** need a business license from the City of Renton. Over 80% of revenues received from business license fees are used to improve and expand City streets. All applicants must have a state-issued Uniform Business Identification Number (UBI). Home-based businesses must apply for a City home occupation license, and have permission from the landlord to conduct business out of an apartment. Commercially zoned businesses must have a commercial business license. City of Renton Business Licenses fees are based on person-hours worked in a quarter by all personnel multiplied by rate per hour (.029).

To calculate your business license fees, total the hours worked by all employees in one quarter and multiply by \$0.029. For example, if two employees work 40 hours a week that is 1040 hours for a quarter (80 hours x 13 weeks). Multiply 1040 by \$0.029 to get a total quarterly cost of \$30.16.

There is minimum charge of \$13.75 per quarter. This includes all corporate officers, partners, family etc. regardless if a salary is paid or not, billed quarterly. Businesses located outside the City limits and coming into the City to do business must have a license for business conducted in the city.

For more information please visit the Renton Finance Department at: <http://www.ci.renton.wa.us/>